

APPENDIX 11 – SAMPLE CONSULTING SERVICES AGREEMENT

This document will serve as the Service Agreement between Milliman and Sumter County for the provision of actuarial services required to meet GASB 43/45 requirements and other services, as requested.

Terms and Conditions

1. **Limitation of Liability.** Milliman will perform all services in accordance with applicable professional standards. The parties agree that Milliman, its officers, directors, agents and employees, shall not be liable to Sumter County, under any theory of law including negligence, tort, and breach of contract or otherwise, for any damages which exceed 3 times the total professional fees paid in the previous 12-month period. In no event shall Milliman be liable for lost profits of Sumter County or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of the intentional fraud or willful misconduct of Milliman.
2. **Disputes.** In the event of any dispute arising out of or relating to the engagement of Milliman by Sumter County, the parties agree that the dispute will be resolved by final and binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place before a panel of three arbitrators. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in either insurance, actuarial science or law. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be conducted consistent with the Federal Rules of Civil Procedure. The arbitrators shall have no power or authority to award punitive or exemplary damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorney fees, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Any arbitration shall be confidential, and except as required by law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other parties, except that disclosure is permitted to a party's auditors and legal advisors.
3. **Choice of Law.** The construction, interpretation, and enforcement of this Agreement shall be governed by the substantive contract law of the State of New York without regard to its conflict of laws provisions. In the event any provision of this agreement is unenforceable as a matter of law, the remaining provisions shall stay in full force and effect.
4. **No Third Party Distribution.** Milliman's work is prepared solely for the internal business use of Sumter County. Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit any third party recipient of its work product, even if Milliman consents to the release of its work product to such third party.
5. **Terms of Agreement.** This Agreement will become effective upon the signature of both parties, and will remain in effect until terminated by either party as provided herein. Either party may terminate this Agreement upon ninety (90) days prior written notice. Milliman will retain any records it has relating the Services provided under this Agreement for a period of three years following the termination of this Agreement.

This Service Agreement will take effect upon the signature of both parties below.

SUMTER COUNTY	
I have read and agree to the terms and conditions of this Agreement.	
Accepted by: _____	
Title: _____	Date: _____

MILLIMAN, INC.	
I have read and agree to the terms and conditions of this Agreement.	
Accepted by: _____	
Title: Principal	Date: _____